

## CITY OF JERSEY CITY OFFICE OF THE MAYOR

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FOR IMMEDIATE RELEASE

June 25, 2019

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## Working with Community Members, Business Owners and Local Realtors, Jersey City Proposes New Ordinance to Regulate Short Term Rentals, Protecting Housing Market and Preserving Neighborhoods

JERSEY CITY – Mayor Steven M. Fulop, Ward B Councilwoman Mira Prinz-Arey, and Ward E Councilman James Solomon announce a new ordinance up for a final vote tonight to help reform short-term rentals in Jersey City, eliminating for-profit, hotel-style rentals throughout the community. The ordinance creates requirements for property owners to be on-site, identifies what type of housing may be considered in short-term rentals, and limits the time a person can rent the property to no more than 28 consecutive nights.

"The ordinance will not eliminate Airbnb in Jersey City, but it will fix the problems created by out of control short-term rentals resulting in increased rent costs, decreased housing availability, and quality of life issues in neighborhoods," said **Mayor Steven Fulop**. "This new ordinance was drafted by a working committee of Jersey City residents including renters and Airbnb users citywide. The new ordinance preserves the original intent of what Airbnb was supposed to be, and that is a mechanism to allow homeowners to supplement their income by renting a room or apartment in their home."

The ordinance was introduced to establish viable apartments for short-term rentals at the market rate, eliminate hotels that have been created in apartment buildings, and focus on owner-occupied building to increase accountability from landlords.

"As elected representatives, our first job is to represent our communities," said **Ward E Councilman James Solomon**. "Our proposed reform of short-term rental (i.e. Airbnb) regulations prioritizes the neighborhoods we represent over real estate investors through three key provisions. First, it permits homeowners to use their homes for true home sharing. Second, it protects renters by preserving housing stock and lowering rent prices. Most importantly, it strengthens our communities with long-term residents invested in their neighborhood's health and growth."

The ordinance creates permitting requirements for short-term rentals. A property owner may continue to operate the investment property as a short-term rental if a designated individual lives on-site. If a short-term rental property owner wishes to rent their property while they are not physically on site, the property can be rented for a maximum of 60 days per calendar year.

"My job is to listen to community members and represent them as a councilperson," said **Councilwoman Prinz-Arey**. "The nightmare recounts from residents I've been hearing over the last several years would make anyone want to help, so I knew I had to act. We worked with community members, business owners, and local

realtors to create this ordinance which is fair to all as it allows people to rent in a responsible way while at the same time protecting affordable housing and quality of life for residents."

Under the ordinance, the type of property allowed to be used as a short-term rentals is identified. Property owners with under four units who wish to rent must live on site. No short-term rentals are allowed in any unit in which rents are set by HUD, a State agency, or the City's rent control ordinance.

"As an organization with 800 members in Jersey City, we are glad that the Jersey City Council has adopted strong regulations on short-term rentals to minimize their impact on affordable housing and on residents' quality of life," said **Rich Maroko**, **New Jersey Director for the Hotel Trades Council**. "Too much housing has been taken off of the market and instead put to full-time use on Airbnb. It's time for the City to take action to put neighborhoods back into the hands of actual residents of Jersey City residents."

The ordinance also states that a lessee must not rent out their unit. However, if an individual is currently using their leased premises as a short-term rental, they may continue to do so until their lease expires or January 1, 2021, whichever occurs first. The ordinance also allows all existing short-term rental contracts through January 1, 2021.

"Regulating short-term rentals is important to the overall health of the City. We have worked closely with the City Council and are very happy with the final legislation," said Mayor Fulop.

To operate a short-term rental under the ordinance, property owners must obtain a permit through the City's Division of Housing Preservation. Each permit is valid for a period of one year and must be renewed annually. The ordinance will take effect on January 1, 2020.

All media inquiries should be directed to Kimberly Wallace-Scalcione at KWallace@jcnj.org or 201-376-0699. ////